

Improve our K-12 Student Performance

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
719	H63	State Department of Education	Character Education Program	This is a worthwhile yet lower priority function that can be performed at lower costs.	33,910	General Funds
727	H63	State Department of Education	Accreditation of Schools	The Legislative Audit Council has recommended that the State Department of Education simply adopt the accreditation standards set by the Southern Association of Colleges and Schools.	320,813	General Funds
797	H63	State Department of Education	Finance	This is a worthwhile yet lower priority function that can be performed at lower costs. Carry forward funds should be available to offset any reductions.	505,144	General Funds
798	H63	State Department of Education	Administration	This is a worthwhile yet lower priority function that can be performed at lower costs. Carry forward funds should be available to offset any reductions.	307,237	General Funds
812	H64	Governor's School for Arts and Humanities	Administration	This is a worthwhile yet lower priority function that can be performed at lower costs.	278,527	General Funds
816	H65	Governor's School for Math and Science	Administrative Overhead	This is a worthwhile yet lower priority function that can be performed at lower costs.	29,394	General Funds
824	H67	Educational Television Commission	Agency Fundraising	This is a worthwhile yet lower priority function that can be performed at lower costs.	60,764	General Funds
832	H71	Wil Lou Gray Opportunity School	Administration Program	This is a worthwhile yet lower priority function that can be performed at lower costs.	39,951	General Funds
855	H75	School for the Deaf & the Blind	Administration	This is a worthwhile yet lower priority function that can be performed at lower costs.	123,319	General Funds
				Cost Savings Subtotal	1,699,059	
MAKING TOUGH CHOICES BELOW THE LINE SAVINGS						
693	H63	State Department of Education	Teacher Quality - ADEPT	Ineffective program that is not tied to raising student achievement.	2,217,245	General Funds
795	H63	State Department of Education	Ombudsman Services	Can be funded through other services including the current communication office.	57,065	General Funds
826	H67	Educational Television Commission	Educational Radio	This activity is not essential to raising student achievement. The service has not been tied to student achievement. Individuals wishing to take advantages of the services provided through this activity should do so using existing programmatic funding devoted to curriculum mastery.	324,304	General Funds
854	H75	School for the Deaf & the Blind	Outreach	Not a primary function of the agency.	1,849,790	General Funds
1271	P28	Dept of Parks, Recreation & Tourism	Interpretive & Resource Management	This activity is not essential to raising student achievement. The service has not been tied to student achievement. Schools wishing to take advantages of the services provided through this activity should do so using existing programmatic funding devoted to curriculum mastery.	399,566	General Funds
1508	P20	Clemson PSA	4-H and Agricultural & Natural Resource Programs for Youth	This is a low-priority activity that, if worthwhile, should be funded through vocational or Education and Economic Development Act.	4,703,925	General Funds

1704	H27	University of South Carolina - Columbia	Freshwater Initiative	This activity is not essential to raising student achievement. The service has not been tied to student achievement. School wishing to take advantages of the services provided through this activity should do so using existing programmatic funding devoted to curriculum mastery.	500,000	General Funds
				Below the Line Savings Subtotal	10,051,895	
				TOTAL GOAL AREA SAVINGS	11,750,954	

Improve our Higher Education System and Cultural Resources

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
293	H03	Commission on Higher Education	Youth Leadership Conference	Focus expenditures on the CHE core mission, and ask the private sector to support this activity.	50,000	General Funds
296	H03	Commission on Higher Education	Professor of the Year	Solicit funding through the private sector or provide a collaborative effort among participating colleges and universities.	14,850	General Funds
285	H03	Commission on Higher Education	Access and Equity	Reduce by 33% through increased scholarship availability.	234,832	General Funds
283, 284	H03	Commission on Higher Education	Pass Through Savings - University Center of Greenville /Lowcountry Graduate Center	A reduction to the agency's recurring general funds for these pass throughs	1,837,101	General Funds
649	H59	Board for Technical & Comprehensive Education	Trident Tech-Culinary Arts	Suspend funding for this program, as it was added by the General Assembly without appropriate program review. This is an example of our higher education governance structure's failings.	775,000	General Funds
877	H91	Arts Commission	Community Arts Development	Reduce pass through grants and technical assistance to local art activities by 15%.	240,100	General Funds
374	H15	University of Charleston	Public Service	Allow this small sum to be more effectively applied to academic programs within the higher education arena.	84,647	General Funds
345	H09	The Citadel	Coeducation Initiative	This program has been in place since 1997. Institution should be closer to its goal now. Recommend reducing funding for those costs which appear to be duplicative of existing, non-coed administration initiatives.	1,110,000	General Funds
383	H15	University of Charleston	Governor's School Summer Program	Adjust program, due to long standing operation, to no longer require a State appropriation.	66,269	General Funds
		Statewide	OM Maintenance	Reduce Operating and Maintenance by 3.1% for those colleges/tech schools within a 25 mile radius of one other. This savings is based on the centralization of facilities management that will afford a reduction in overhead.	6,957,065	General Funds
	H03	Commission on Higher Education	Academic Program Review	Eliminate programs/majors based on previous CHE recommendations.	241,282	General Funds
		Statewide	Administration	Implement Administration standards for Four Year institutions & Tech Schools during a two-year phase in (see separate spreadsheet).	1,792,261	General Funds
473	H27	University of South Carolina	Funding Source Change - NanoCenter	Apply for endowed chairs	1,000,000	General Funds
350	H12	Clemson	Funding Source Change - Wireless	Apply for endowed chairs	1,000,000	General Funds
	H12	Clemson	Collaboration and Cooperation	Reduce by 1% to encourage collaboration.	1,056,211	General Funds
	H27	University of South Carolina	Collaboration and Cooperation	Reduce by 1% to encourage collaboration.	1,769,716	General Funds
	H51	Medical University of South Carolina	Collaboration and Cooperation	Reduce by 1% to encourage collaboration.	917,106	General Funds
1565	H51	Medical University of South Carolina	Pass Through Savings, Part 1A - Rural Dentist Incentive	A reduction to the agency's recurring general funds for the Rural Dentist Incentive which lacks in accountability.	250,000	General Funds
1736	H95	State Museum	Pass Through Savings - Hall of Fame (Redirected from PRT)	Eliminate pass through funds. A reduction to the agency's recurring general funds for these contributions.	25,000	General Funds
				Cost Savings Subtotal	19,421,440	

MAKING TOUGH CHOICES BELOW THE LINE SAVINGS

290	H03	Commission on Higher Education	Arts Program Tuition Assistance	Eliminate unnecessary funding for students attending the NC School of the Arts as we have established the SC Governor's School for the Arts in Greenville.	10,274	General Funds
1547	H03	Commission on Higher Education	National Foundation of Teaching Entrepreneurship (NFTE)	Focus expenditures on the CHE core mission, and ask the private sector to support this activity.	250,000	General Funds
282	H03	Commission on Higher Education	Greenville Higher Ed Center	With 7 institutions (1 of which is private) comprising the Higher Ed Center, funding of this activity should be able to be shifted to other revenue sources.	180,287	General Funds
878	H91	Arts Commission	Artist Development	Solicit funding through the private sector or provide a collaborative effort among participating venues and arts supporters.	175,996	General Funds
862	H79	Archives and History	National History Day Program	Divert funding for more effective statewide educational tools.	56,829	General Funds
1798	H03	Commission on Higher Education	Charleston Transition College Connection	This item falls outside the core mission of educating students. Higher education currently receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. This type of proviso may, once again, ultimately lead to increasing the tuition burden on students. Currently, South Carolina's in-state tuition is double that of Florida, Georgia and North Carolina. If the Commission on Higher Education believes that this program has merit, then it should be funded out of their existing budget.	300,000	General Funds
1698	H15	University of Charleston	Marine Genomics	This item falls outside the core mission of educating students. Higher education currently receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. This type of program may, once again, ultimately lead to increasing the tuition burden on students. Currently, South Carolina's in-state tuition is double that of Florida, Georgia and North Carolina. If the University of Charleston believes that this program has merit, then it should be funded out of their existing budget.	603,000	General Funds
1803	H18	Francis Marion University	Accreditation and Program Enhancement Project	This project would fit better under a more centralized higher education board instead of implementing these types of programs in piecemeal fashion. The current fragmented system at each individual school only allows tuitions to increase more easily. Our higher education system already receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. Currently, South Carolina's in-state tuition is double that of Florida, Georgia and North Carolina. If Francis Marion University believes that this program has merit, then it should be funded out of their existing budget.	850,000	General Funds
1804	H18	Francis Marion University	Teaching Education Initiative	This item falls outside the core mission of educating students and the same result could be accomplished through our administration's recommendation of utilizing the National Board Certification program to place high-quality teachers in rural and poor schools. In addition, this program allows tuition to increase more easily. Our higher education system already receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. Currently, South Carolina's in-state tuition is double that of Florida, Georgia and North Carolina. If Francis Marion University believes that this program has merit, then it should be funded out of their existing budget.	500,000	General Funds
				Below the Line Savings Subtotal	2,926,386	
				TOTAL GOAL AREA SAVINGS	22,347,826	

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Improve the Conditions for Economic Growth

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
239	F03	Budget and Control Board	Local Government Infrastructure Grants	Combine with Rural Infrastructure Fund within Department of Commerce - there are eight FTEs in this program that could be reduced to a maximum of four after reviewing the program in further detail. GF dollars are half because of reduction in staff.	137,771	General Funds
1215	P16	Department of Agriculture	Consumer Services - Petroleum Inspection & Testing Program	Use \$1.3 million of the gasoline tax pursuant to Code 12-28-2355 that states "for the purpose of providing funds for inspecting, testing, and analyzing petroleum products and for general state purposes, there must be paid to the department a charge of one-fourth cent a gallon ..." For further explanation, please see text.	390,606	General Funds
1353	R28	Department of Consumer Affairs	Administration	Consumer Affairs' budget increased by 18 percent or \$615,000 last year. There is no reason why these items cannot be funded from this increased budget, especially in light of the fact that the number of complaints received and acted upon decreased from 6,926 in FY 2005 to 5,824 in FY 2006.	19,659	General Funds
1351	R28	Department of Consumer Affairs	Advocacy Division	Consumer Affairs' budget increased by 18 percent or \$615,000 last year. There is no reason why these items cannot be funded from this increased budget, especially in light of the fact that the number of complaints received and acted upon decreased from 6,926 in FY 2005 to 5,824 in FY 2006.	35,414	General Funds
				Cost Savings Subtotal	583,450	
MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS						
1484	P20	Clemson PSA	Rural Community Leadership Development	Suspend activity. This activity, which reaches outside Clemson PSA's core mission of agriculture, was not ranked as a priority by the results team. For further explanation, please see text.	332,520	General Funds
1813	H27	University of South Carolina - Columbia Campus	Engenuity S. C.	While it is notable that Columbia will be hosting the National Hydrogen Association convention in 2009, we believe that money dedicated to put on the event should be raised through private dollars.	100,000	General Funds
1797	H03	Commission on Higher Education	Critical Needs Nursing Initiative	Although well intended, we recommend eliminating these funds because the Critical Needs Nursing Initiative legislation was a piecemeal approach to addressing higher education priorities. Currently, SC spends the second highest amount on higher education as a percentage of our budget among Southeastern states.	1,000,000	General Funds
				Below the Line Savings Subtotal	1,432,520	
				TOTAL GOAL AREA SAVINGS	2,015,970	

Improve the Health and Protections of Our Children and Adults

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
905	J02	Department of Health and Human Services	Pharmaceutical Services	Move from the old (AWP - 10 percent) standard to a standard more in line with the southeastern average (AWP -12).	2,300,000	General Funds
949	J04	Department of Health and Environmental Control	Administration	Adjust for administrative savings from consolidating regional offices and reduction in force.	1,000,000	General Funds
1021	J16	Department of Disabilities and Special Needs	Service Coordination	Provide funding specific to agency needs and mission. Service coordination is typically provided to individuals who are being served through multiple agencies. According to DDSN, the majority of DDSN's clients are only served through that agency. Therefore, service coordination is less of a high priority for this population relative to funding specifically for direct services.	307,957	General Funds
74	D17	Governor's Office - OEPP	Advocacy for Women	Enter into a public-private partnership with Columbia College to effectively support the research function of this agency. This partnership was implemented upon the recommendation of an Advisory Committee established by the Governor's Office in 2003 to study creative and more effective ways to develop policies and actions to improve the quality of life of women and families in South Carolina. The Advisory Committee also recommended that the funding for the commission be reduced to reflect the additional support provided by Columbia College.	102,700	General Funds
838	H73	Vocational Rehabilitation	Administrative Savings	Merge the Vocational Rehabilitation Department and the Commission for the Blind to realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.	402,060	General Funds
1133	L24	Commission for the Blind	Administrative Savings	Merge the Vocational Rehabilitation Department and the Commission for the Blind to realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.	178,826	General Funds
109	E04	Lieutenant Governor's Office	Local Provider Salary Supplement	Divert salary supplements to non-state aging employees to the Long Term Ombudsman. This funding provides salary supplements to non-state employees working for the local aging service providers.	78,000	General Funds
	J12	Department of Mental Health	Collections	Increase Rate of Collections by 10% per LAC Report recommendations. This can be done by verifying income for reduced fee patients, using Setoff Debt and GEAR programs and having community mental health centers utilize the lien process against estates like DMH headquarters does.	840,000	General Funds
	J04	Department of Health and Environmental Control	Collections	Increase Rate of Collections by 10% per LAC Report recommendations. This can be done by verifying income for reduced fee patients, implementing a uniform billing and collection policy for health districts, and participating in the Department of Revenue's programs for debt collection in health service programs.	180,000	General Funds
1154	L46	Commission on Minority Affairs	Administration (Overhead Cost)	Duplication of services already performed by Department of Social Services, Employment Security Commission and Department of Education. Current system is complimented with assistance by several non-profit organizations.	100,934	General Funds

1126	L24	Commission for the Blind	Vocational Rehabilitation Services	Transfer of Training to newly established S.C. Center of the Blind. This same training program can be done for a reduced cost outside of the public sector.	150,000	General Funds
				Cost Savings Subtotal	5,640,477	
MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS						
596	H53	Area Health Education Consortium	Health Careers Program	Formerly known as Student Development and Diversity Program. This is a well-intended program to get more students interested in health professions, but less of a core government function relative to other health services.	417,371	General Funds
52	D17	Governor's Office - OEPP	Pass Through Funds	Eliminate pass through funds relating to case management for head and spinal cord injuries. Money is really for DDSN training; sent through the Governor's office in order get a good federal match rate .	54,176	General Funds
1492	P20	Clemson PSA	Agro-Medicine (pass-through funds)	Eliminate pass through. Education on farm-related health issues (e.g. pesticide poisoning, insect bites, noise-induced hearing loss).	235,722	General Funds
1560	H27	University of South Carolina - Columbia Campus	Palmetto Poison Control Initiative	Although this is a worthwhile program, it should be run by one of the state's health agencies, not a state university.	250,000	General Funds
1814	H51	Medical University of South Carolina	Hypertension Initiative	DHEC's Bureau of Community Health and Chronic Disease Prevention is part of a network of chronic disease prevention programs aimed at improving the health of our communities across South Carolina. Additionally, SC was one of 20 states which received funding for a new five-year cycle for a Capacity Building Heart Disease and Stroke Program. This is a duplication of efforts considering the services already being provided.	512,741	General Funds
				Below the Line Savings Subtotal	1,470,010	
				TOTAL GOAL AREA SAVINGS	7,110,487	

Improve the Quality of our Natural Resources

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
1482	P20	Clemson PSA	Horticultural Crops	Defer to golf course industry for funding golf related turfgrass research. The industry cites the value of this service, and may fund continued research accordingly.	145,200	General Funds
1515	P20	Clemson PSA	Pesticide Applicator Licenses	Make pesticide licensure programs self-sufficient, like most licensed professions under LLR. Achieve self-sufficiency of pesticide applicator licensure within two years by providing licenses and renewal online through LLR and extending renewal cycles to the maximum feasible period. This amount represents half of the general funds appropriated for this activity.	386,727	General Funds
1498	P20	Clemson PSA	Sustainable Forestry	Integrate PSA forestry efforts with Clemson academic programs and allow the Forestry Commission to perform any outstanding activities if they are a priority. The Forestry Commission already performs similar activities to the sustainable forestry management and environmental enhancement programs. Under this activity, PSA researches and educates landowners on best management practices and offers Master Tree Farmer and Master Woodland Owner programs.	1,912,406	General Funds
1503	P20	Clemson PSA	Livestock-Poultry Health Programs: Meat Inspection	This activity should be subsumed under current DHEC operations, thereby saving an estimated half of its current general fund needs.	693,812	General Funds
1491	P20	Clemson PSA	Reducing the Impact of Animal Agriculture on the Environment	This activity should be more fee-based; consumers should supplement funding of this activity, phased in over several years with a potential \$100 thousand savings in the first year.	100,000	General Funds
1192	P12	Forestry Commission	Wildland Firefighting	This activity should be decreased by \$1 million and supplemented/replaced by an increase in fees which would be assessed against private landowners in need of such services.	1,000,000	General Funds
				Cost Savings Subtotal	4,238,145	
MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS						
1230	P24	Department of Natural Resources	Mariculture Aquaculture	Reduce mariculture/aquaculture services to permits, compliance and research that is supportive of viable SC industry. Allow private industry to fund additional research.	418,816	General Funds
1485	P20	Clemson PSA	Recreation and Tourism	Shift funding responsibility for natural resources recreation and tourism education. Continuing education for recreation and tourism professionals should not be funded by Clemson PSA - individuals and private industry would be much more appropriate sources.	67,992	General Funds
1499	P20	Clemson PSA	Nuisance Species	Defer nuisance species abatement activities to the private sector. DNR has already done so by maintaining a referral list for incoming requests.	89,895	General Funds
1479	P20	Clemson PSA	Radio Productions	Reevaluate communications strategy to ensure that Extension efforts are focused on the core agricultural constituency. PSA radio productions like "Your Day" and others are a difficult choice when compared to health care, law enforcement, corrections and other critical state functions.	71,477	General Funds

1480	P20	Clemson PSA	Television, Web, and Print Productions	Prioritize PSA television and print productions and coordinate outreach with the Department of Agriculture. "Making It Grow" and others are a difficult choice when compared to health care, law enforcement, corrections and other critical state functions. This amount represents a reduction by 1/3 - focus remaining funds on delivery of information in support of core mission.	427,388	General Funds
1194	P12	Forestry Commission	Enforcement - Timber Theft and Fraud	Consolidate forestry specific law enforcement, dedicated to timber fraud and theft, with DNR law enforcement, as wildlife officers are well positioned to carry out this function.	278,623	General Funds
1198	P12	Forestry Commission	Forest Renewal Program Financial Assistance	Discontinue the Forest Management Assistance government subsidy which pays for a portion of replanting the first 100 acres of private lands. Planning services from the Forestry Commission will continue to provide significant assistance in expertise for private landowners.	200,000	General Funds
				Below the Line Savings Subtotal	1,554,191	
				TOTAL GOAL AREA SAVINGS	5,792,336	

Improve the Safety of People and Property

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
1158	N04	Department of Corrections	Vehicle Maintenance	Shift a portion of funding for vehicle maintenance provided by the Department of Corrections from recurring general fund sources to other fund sources. Much like we phased out the general fund subsidy to agencies several years back for security services provided by the Department of Public Safety, we feel that agencies which benefit from this activity should pay the Department for these services.	500,000	General Funds
1165	N04	Department of Corrections	Agricultural Operations	Implement a phase out of the general fund needs for Agricultural Operations. In the 2004-05 Appropriations Act, the General Assembly included a proviso that allowed the Department of Corrections to secure private funding to build three egg laying houses in order that the department may become self-sufficient with its egg-based needs and therefore save the state funds. While the initial goal was self-sufficiency, early estimates pointed to a project that would generate excess cash which could then be used to reduce to the general fund needs of the agency. Further, if the agency were to build a food and freezer warehouse, the agency would realize an additional \$500,000 in annual savings.	100,000	General Funds
1166	N04	Department of Corrections	Recycling Operation, Partnership with Palmetto Pride	Shift funding for the cleanup of the state's roadways by inmates and the Department of Correction's recycling operation to other funds provided by Palmetto Pride - will save \$600,000 annually in general funds.	136,565	General Funds
1176	N08	Department of Probation, Parole & Pardon Services	Statewide Emergency Operations Plan	Shift funding for Statewide Emergency Operations Plan from General Funds to Other Funds.	103,314	General Funds
1071	N20	Law Enforcement Training Council	Training - Regional Activity	The Council already funds an item called "Leadership Training." If the Council chooses to fund these programs, it should either fund them with money provided for the other "Leadership Training" program or consider supplementing these programs with funds from the agencies that directly benefit from the services.	70,000	General Funds
191	E24	Adjutant General	State Guard	Crowd control training is a core function of the South Carolina National Guard and should be funded from the Adjutant General's Office general budget. A budget that has increased by 20% over the last three years.	114,792	General Funds
				Cost Savings Subtotal	1,024,671	

MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS					
196	E24	Adjutant General's Office	Operations & Training	Suspend general funds for this activity or fund with other sources. This activity was not ranked as a priority by the results team and it was viewed as redundant of existing Adjutant General's Office operations and training efforts.	27,691 General Funds
182	E24	Adjutant General's Office	Public Information	Suspend general funds for this activity or fund with other sources. This activity, while certainly valuable to the state, was not ranked as a priority by the results team.	97,597 General Funds
				Below the Line Savings Subtotal	125,288
				TOTAL GOAL AREA SAVINGS	1,149,959

Improve the Efficiencies and Effectiveness of Central State Government Support and Other Governmental Services

Activity Number		Agency Name	Activity Name	Rationale	Savings Amount	Source
SAVINGS PROPOSALS						
		All Agencies with TERI employees		The first class of TERI participants will have hit the five-year mark as of this past calendar year. We recommend that the agencies do not hire the majority of these employees back - as many agencies already plan to do - and disburse job duties among remaining employees while also hiring new individuals that will be trained for the long-run.	17,573,421	Hiring to replace TERI employees at the average salary for the agency. Reduction only for those agencies with TERI employees
		All Agencies		Unemployment compensation savings resulting from reduced appropriations to agencies due to lower premiums to match historical payouts. The State Unemployment Compensation Trust Fund has a projected balance of about \$28 million at June 30, 2007, which is a result of approximately \$8 million in premiums being paid annually, while historical pay-out amounts have been between \$4-5 million. We propose that agency billings be cut in half to the appropriate maintenance level.	3,135,014	
		Appellate/Indigent Defense	Merger	Administrative savings resulting from the consolidation of the Offices of Appellate and Indigent Defense that occurred during the FY 2005-06 legislative session.	214,482	General Funds
		All Agencies	Travel Reductions	When looking at Travel expenditures across all agencies, it is clear that some have not used taxpayer dollars in the most efficient manner possible. Specifically, total state travel expenditures has grown by almost 20 percent in just two years. For this reason we are recommending all agencies reduce travel expenditures back to FY 2004-05 levels.	2,770,044	General Funds
		All Agencies	Central Travel Office	We propose the establishment of a Central Travel Office. This office will be responsible for the purchase of bulk airline travel and mandate that agencies do not exceed the newly establish cap for hotel/motel purchases. This will put us in line with federal government and other state travel guidelines. The savings will be realized within each agency for the purchasing of cheaper airline tickets and the new limitation for reimbursement in lodging.	831,218	General Funds
1414	R44	Department of Revenue	Compliance and Technology Services	The Department of Revenue is currently in the fourth year of continuing its efforts to increase enforced collections through additional tax collectors or better known as the \$9 for \$90 program. During the first year of funding the program, the Department of Revenue received \$3 million to purchase one-time infrastructure needs to increase collections. In our executive budget last year, we recommended these dollars be returned to the General Fund since the infrastructure capital had already been purchased. However, at the end of the budget process, these additional dollars remained in the Department of Revenues budget. We believe again that it is only fair to recommit these one time dollars back to the General Fund.	3,000,000	General Funds
		Dept of Revenue, Museum, B&C Bd Confederate Relic Room	Lease Savings	Savings resulting from maturity of bonds in FY 2006-07 and turning building operations over to agencies.	272,976	General Funds
80	E04	Lieutenant Governor's Office	Executive Operations of the Lieutenant Governor's Office	Security Detail	112,173	General Funds

133	E16	State Treasurer's Office	Unclaimed Property Program	Supplement the administrative cost to the Treasurer's office with other funds from the unclaimed property revenue stream. The Unclaimed Property office could implement a 5% fee on claimed property to cover costs. Both Ohio and Texas have implemented such fees.	95,109	General Funds
	E16	State Treasurer's Office	Administration	Base Reduction per Agency Request	22,788	General Funds
		Multiple Agencies	Nightly Custodial Services	The Facilities Management Office of the General Services Division currently provides daytime custodial services five days a week for most buildings that they manage. The Facilities Management Office reports that it would be more efficient and cost effective to clean offices at night when they are not occupied. Also a SCEIS accommodation	1,000,000	General Funds
223	F03	Budget and Control Board	Close Business Development Office	Business Office will be closed February 2008	130,000	General Funds
232	F03	Budget and Control Board	Procurement Administration Fee Reduction	The Procurement Office should reduce its 1% administrative fee to .75% of total purchases. Procurement officials should review this fee annually to insure that it is only for cost recovery and should instruct vendors to show this fee as a separate line on all agency invoices so that it is made more transparent to the agencies ultimately paying it. If not, this fee will continue to be an additional commission fee from state agency to another - ultimately costing taxpayers more.	641,000	General Funds
949	J04	DHEC	Reduce the DB2 system processing cost to DHEC.	The Department of Health and Environmental Control (DHEC) processing costs for the IBM database management system DB2 should be reduced to the costs proposed to DHEC by IBM. Consideration should be given to allow DHEC, as the largest DB2 user, to work directly with the vendor and to allow other state agencies that use the current DB2 to either continue with their current arrangements or to use the new DHEC arrangements if that is more cost effective. This is a case where almost the entire requirement belongs to one large agency that could do for themselves what the State CIO does for them, but at significant cost savings to the agency. DHEC is paying approximately \$1.7 million per year to the state data center for DB2 processing. IBM has proposed to DHEC that for \$1 million in one time costs they could get the same services for \$79,000 per year, resulting in the \$600,000 first year savings..	600,000	General Funds
		Multiple Agencies	Reduce SCEIS Opoerating Funds	There are approximately 170 applications currently in place in state agencies that are scheduled to be replaced by the SCEIS. Funding for the operation of SCEIS will be provided by direct appropriation to the state CIO office for the support of that system. Once SCEIS comes on line all of these old systems will be turned off and almost all of the functions will be assumed by the State CIO. It seems prudent to identify these funds and earmark them for return to the state treasury as SCEIS application come on line. Agencies will be coming online intermittently, resulting in the first year savings of \$5,138,009.	5,138,009	General Funds

232	F03	Budget and Control Board	Change Procurement Protest Laws	Review the bid protest process and determine solutions to make the protests less time-consuming and disruptive to agency operations. Create a hierarchy of protests so that not all are handled in the same manner and allow agencies to continue with the award of the contract for protests at certain levels. Assess a filing fee for protests that will be refunded if the protests are upheld. Creating a hierarchy of protests would allow for a quick analysis of the validity of protests further consideration and time need only be given to the few that initially seem to have merit. Assessing a protest fee will encourage vendors to protest only when there is sufficient cause. This particular change will result in a first year savings of \$150,000	150,000	General Funds
		Multiple Agencies	Consolidate Columbia Maintenance Facilities	State agencies should immediately consolidate seven repair facilities located in Columbia to no more than three.	360,000	General Funds
270	F03	Budget and Control Board	Reduce the Board-wide Allocation	The fees that the Budget and Control Board divisions and offices pay for central administration increased dramatically earlier this decade, likely as a way to counteract mid-year budget cuts. In FY 2001, the fees totaled just under \$1.1 million, but that number doubled after FY 2002 and jumped again to over \$3 million in FY 2003. After topping out at \$3.2 million in FY 2005, the number has averaged around \$2.9 million the past two years. If every division within the Budget and Control Board – excluding the Retirement System – can find a way to reduce their own charges by a similar five percent, the total annual savings to the agencies and taxpayers of South Carolina would be approximately \$95 million. This process should start with the Executive Director reducing the Board-wide allocation by a minimum 5%. This would have a first year savings of \$145,000.	145,000	General Funds
		All Agencies	5 day/30 Day Fleet Bid Structure	The state bid structure should be modified to provide for two bid prices: one for payment within five days of delivery and one for payment within thirty days of delivery. Currently, the state bid calls for payment within thirty days of delivery. However, a dealer is required to pay off his floor plan source within five days of delivery or that dealer will be "out of trust." Moreover, floor plan interest charges are significant especially if allowed to run for the full thirty days allowed for payment. As the average floor plan cost is \$200 per vehicle, a dealer, knowing that he can be paid in a timely manner, can lower his bid by thirty days of floor plan expense. Estimating that this will only occur with half of the vehicles purchased equals an annual savings of \$200,000.	200,000	General Funds
		All Agencies	Property Reinsurance Contract Bid	The Insurance Reserve Fund has, through an open competitive process, selected a retail broker to place its excess property reinsurance without the use of a wholesale market intermediary broker. The selected broker will be compensated by a flat fee of \$415,000 rather than a commission based on a percentage of the placement that historically totaled nearly \$2,500,000. The result is a savings of \$2,190,000 annually.	2,190,000	General Funds
		All CRP Agencies	CVRP Surcharge	The Commercial Vehicle Repair Program surcharge of 16% should be lowered to a maximum of 13% with a maximum cap of \$75	115,000	General Funds

219	F03	Budget and Control Board	Eliminate TEMPO - Balance	While there may have been at one point, there is certainly no lack of private temporary employee services in our state. Many agencies and even other divisions within the Budget and Control Board use outside temporary staffing agencies because they are less expensive.	101,778	General Funds (See Activity 216 for Balance)
		All Agencies	Internet Telephony Procurement	While there may have been at one point, there is certainly no lack of private temporary employee services in our state. Many agencies and even other divisions within the Budget and Control Board use outside temporary staffing agencies because they are less expensive.	500,000	General Funds
				Cost Savings Subtotal	39,298,012	

MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS

215	F03	Budget and Control Board	Training and Development Services	Achieve self-sufficiency through reliance on other funds. Several services offered by the Budget and Control Board are supplemented by general fund dollars but provide direct services to agencies. Any of these areas, especially those that have market competition, should price their services to be self-sufficient. If the cost being charged to the agency was more transparent and truly reflected the cost of the service being provided, the agency should be able to make a business decision to use that service or not.	568,746	General Funds
216	F03	Budget and Control Board	Temporary Employment Services	Achieve self-sufficiency through reliance on other funds (See explanation above).	31,555	General Funds
217	F03	Budget and Control Board	Recruitment Services	Allow appropriate agencies to absorb this function.	101,520	General Funds
218	F03	Budget and Control Board	Workforce Planning	Allow appropriate agencies to absorb this function.	45,946	General Funds
1435	S60	Procurement Review Panel	Administration and Hearings	Assign Procurement Review Panel functions to the Administrative Law Judges as proposed in past Executive Budgets.	29,043	General Funds
1436	S60	Procurement Review Panel	Administration and Hearings	Assign Procurement Review Panel functions to the Administrative Law Judges as proposed in past Executive Budgets.	98,262	
264	F03	Budget and Control Board	Civil Contingent Fund	Reduce appropriations to the fund as less than \$7,000 was spent from the fund in FY 2003-04, and it currently has a balance of over \$170,000. The Civil Contingency Fund is a reserve fund at the Budget and Control Board that is used to help an agency that runs into an expense for which it had not planned or budgeted. Reverting these unused funds back to the general fund would result in a savings of \$161,902 in this fiscal year.	161,902	General Funds
1791	E23	Commission on Indigent Defense	DUI Defense of Indigents	In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina because its role has morphed into one where the state is funding an ever-increasing portion of what had traditionally been and should continue to be the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in both DUI-related deaths and domestic violence related deaths. It seems odd that we are dedicating more dollars toward defending offenses such as DUI in a year where much-needed DUI reform remains stuck in a Senate Subcommittee.	1,000,000	General Funds
1660	E23	Commission on Indigent Defense	Criminal Domestic Violence	In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina because its role has morphed into one where the state is funding an ever-increasing portion of what had traditionally been and should continue to be the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in both DUI-related deaths and domestic violence related deaths. It seems odd that we are dedicating more dollars toward defending offenses such as DUI in a year where much-needed DUI reform remains stuck in a Senate Subcommittee.	1,320,000	General Funds

1790	E16	State Treasurer	Prosecutor / Public Defender Public Service Incentive Program	This appropriation is related to a new proviso that directs the Attorney General's Office, the Prosecution Coordination Commission and the Commission on Indigent Defense to develop and implement a program that encourages attorneys to become prosecutors or public defenders, essentially by paying their student loans. We do not believe there is a need for the taxpayers to subsidize the education of lawyers, no matter how meritorious their practice.	375,000	General Funds
				Below the Line Savings Subtotal	3,731,974	
				TOTAL GOAL AREA SAVINGS	43,029,986	
				Total Cost Savings	71,905,254	General Funds
				Total Below the Line Savings	21,292,264	General Funds
				TOTAL FY 2008-09 Executive Budget Savings	93,197,518	General Funds